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SERVICE DATE - JUNE 20, 2001

This decision will be included in the bound volumes of the STB printed reports at a later date.

SURFACE TRANSPORTATION BOARD

STB Finance Docket No. 33388

CSX CORPORATION AND CSX TRANSPORTATION, INC.,
NORFOLK SOUTHERN CORPORATION AND
NORFOLK SOUTHERN RAILWAY COMPANY
— CONTROL AND OPERATING LEASES/AGREEMENTS —
CONRAIL INC. AND CONSOLIDATED RAIL CORPORATION

Decision No. 189

Decided: June 15, 2001

In Decision No. 89, served July 23, 1998, we approved, subject to certain conditions, including environmental mitigation conditions, the acquisition of control of Conrail Inc. and Consolidated Rail Corporation (collectively, Conrail) and the division of Conrail's assets by CSX Corporation and CSX Transportation, Inc. (collectively, CSX) and Norfolk Southern Corporation and Norfolk Southern Railway Company (collectively, NS). CSX and NS are referred to as applicants.

On May 3, 2001, CSX provided us with a copy of a settlement agreement between CSX and the Cities of East Chicago, Hammond, Gary, and Whiting, IN (the Four City Consortium) executed on January 31, 2001. CSX explains that this settlement agreement supplements the October 26, 1998 settlement agreement between the Four City Consortium and CSX that was imposed as a condition in the Board's Decision No. 114, served February 5, 1999. CSX requests that the Board amend Decision No. 89 (as amended by Decisions No. 96, served October 19, 1998, addressing petitions for reconsideration and/or clarification, and No. 114) by adding this agreement to the list of Negotiated Agreements entered into by CSX set forth in Decision No. 89 at Appendix Q, Environmental Condition No. 51 (slip op. at 420-21). CSX states that the Four City Consortium concurs with the request.

In view of the January 31, 2001 settlement agreement between CSX and the Four City Consortium, we will amend Item 10 of the CSX Subsection of Environmental Condition No. 51 of Appendix Q in Decision No. 89 to include the January 31, 2001 settlement agreement that supplements the October 26, 1998 settlement agreement.

This action will not significantly affect either the quality of the human environment or the conservation of energy resources.

It is ordered:

1. This proceeding is reopened.
2. In accordance with the settlement agreement between CSX and the Four City Consortium, executed on January 31, 2001, Item 10 of the CSX Subsection of Environmental Condition No. 51 of Appendix Q of Decision No. 89 is amended, to read as follows:

10. The Cities of East Chicago, Hammond, Gary, and Whiting, IN (also known as the Four City Consortium or the Four Cities), settlement agreements dated October 26, 1998, and January 31, 2001.

3. This decision shall be effective on the date of service.

By the Board, Chairman Morgan, Vice Chairman Clyburn, and Commissioner Burkes.

Vernon A. Williams
Secretary